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May 16, 2007

David L. Sieradzki  
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Marlene Dortch  
Secretary  
Federal Communications Commission  
445 Twelfth St., SW  
Washington, DC 20554

Re: *High Cost Universal Service Support*, WC Docket No. 05-337  
*Federal-State Joint Board on Universal Service*, CC Docket No. 96-45  
*Alenco Communications, Inc., et al., Petition for Declaratory Ruling and Preemption*,  
CC Docket No. 96-45

Dear Ms. Dortch:

DialToneServices, L.P. ("DTS"), represented by William Dorrان, its president, and the undersigned, made an *ex parte* presentation today to Thomas Navin, Bureau Chief, Wireline Competition Bureau; Renee Crittenden, Deputy Bureau Chief; and Randy Clarke, Legal Advisor to the Bureau Chief. Separately, we made an *ex parte* presentation today to Helen Domenici, Bureau Chief, International Bureau; Roderick Porter, Deputy Bureau Chief; Breck Blalock, Chief of Staff and Associate Bureau Chief; and Gardner Foster, Legal Advisor to the Bureau Chief. We handed out the attached materials as the basis of these presentations.

Respectfully submitted,

David L. Sieradzki  
Counsel to DialToneServices, L.P.

Enclosures

cc: FCC staff members listed above



May 2007

## Serving the Least Served in Rural Texas



Chico and Cy Banner, next door neighbors 21 miles apart, served by DTS

# Who We Are

- ◆ Operate as a local telephone company
- ◆ Serve the unserved and underserved
- ◆ Receive state and federal USF support – designated as an ETC and ETP in Texas
- ◆ Distribution and service capabilities
- ◆ Exceed quality service requirements

# DTS Operations

- ◆ 20 Locations for installation & service
- ◆ Billing and customer service
- ◆ Local sales agents
- ◆ Operator services, 911, 411 and inbound 800 number services
- ◆ Warehouse and bench repair facilities

# Telephone Service via Satellite

- ◆ Fixed and mobile services
  - Fixed as mobile / Mobile as fixed
- ◆ MSS – LEO and GEO
- ◆ Own, service and repair all equipment
- ◆ Other facilities leased or owned





External Antenna

DTS installation of a fixed docking station in a ranch hand house





Lee Watkins, DTS VP of Marketing discusses service options with customer Leslie Reynolds

Fixed service installed at Leslie Reynold's home







DTS service jeep and the jeep on a difficult service call up Chispa Road in West Texas. Chispa Road is 57 miles long. Up this road DTS serves Coal Mine Ranch, 96 Ranch and Wardle Farms. A lot of dirt roads in West Texas turn into creeks after a rainstorm.

# DTS Markets

- ◆ 125 Texas large telco exchanges
- ◆ 82 Texas rural telco exchanges
- ◆ 17 unserved areas – Texas formula
- ◆ 108 unserved areas – Texas petition

# The Unserved in Texas

- ◆ 125 Uncertificated geographic areas
  - 1,200 homes in these areas have never had service
  - No federal USF because no ILEC “study area”
  - Texas state USF – PUC petitions
- ◆ Unserved in ILEC areas
  - Line extension cost barriers
  - Line maintenance requirements
  - Right of way barriers
  - Build completion requirements

# Uncertificated Area 005

Bruce Sciba

Caldwell Ranch

Carl Ryan

Davis Mountains Land & Cattle

Elbow Canyon Ranch

Jeff G Smith

Kokernot 06 Ranch Inc

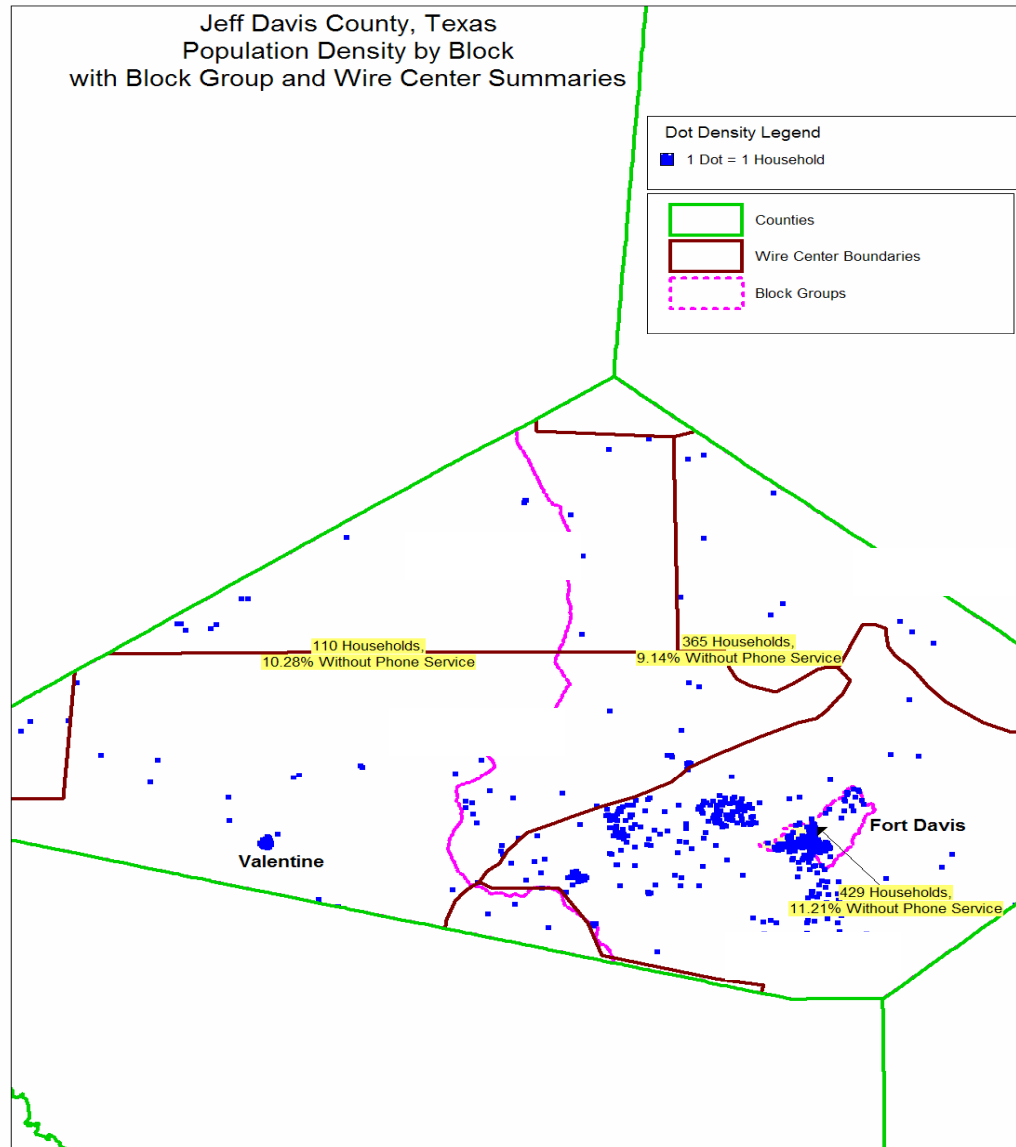
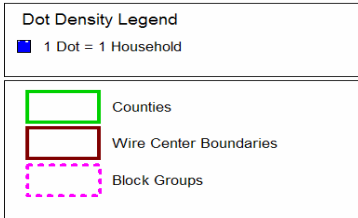
McCoy Rockpile Ranch

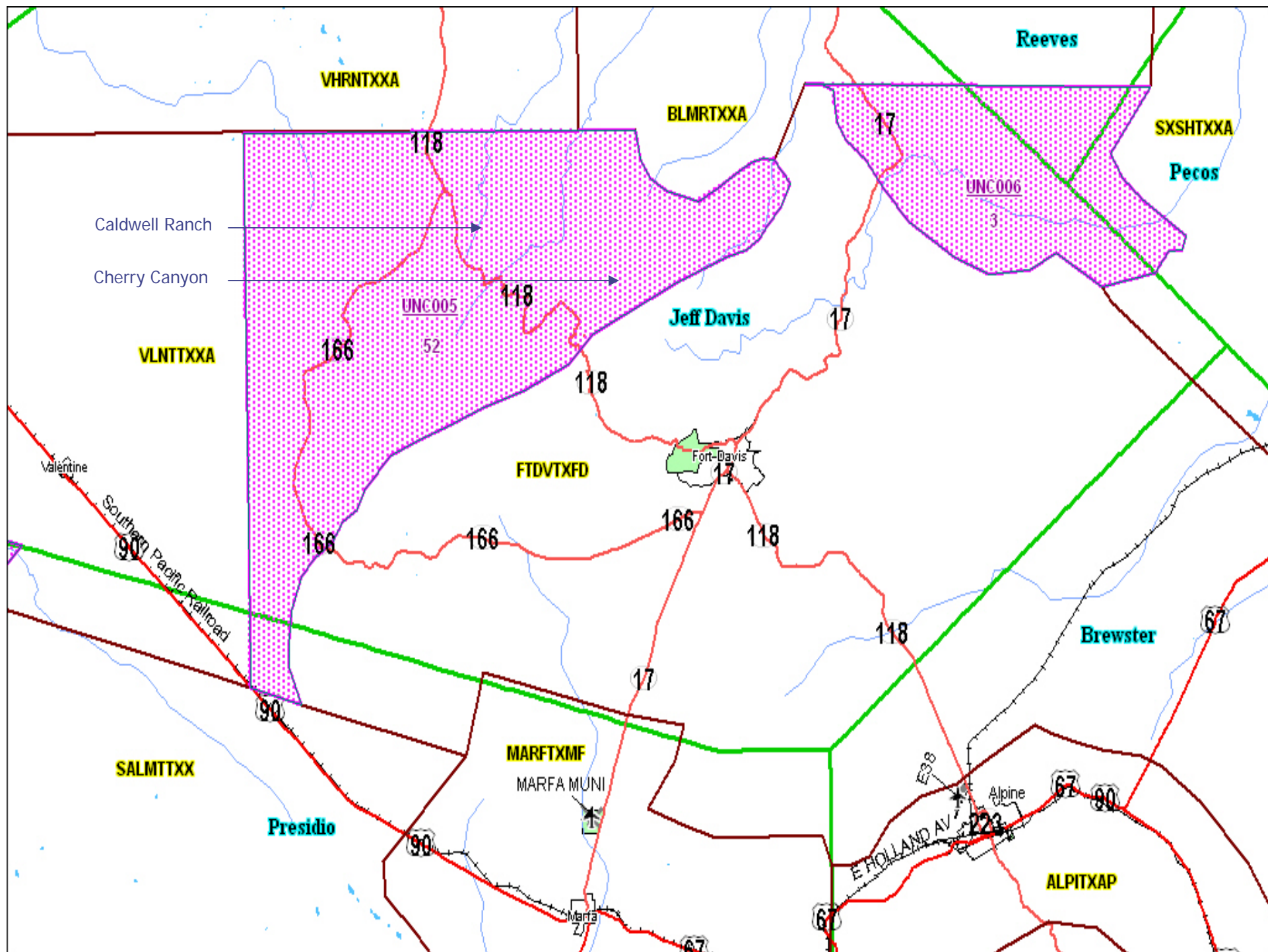
Nature Conservancy

Williams Ranch Co

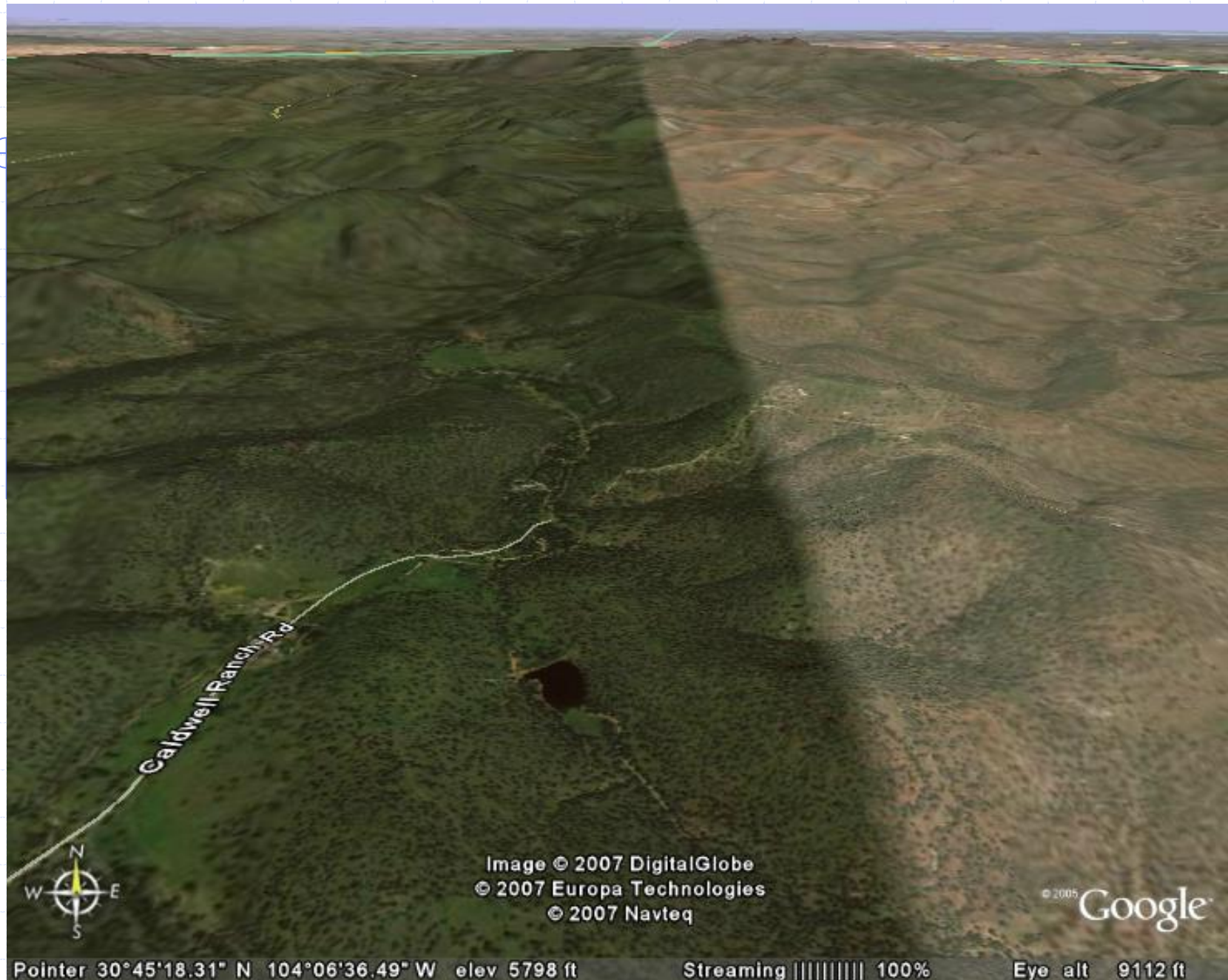


Jeff Davis County, Texas  
Population Density by Block  
with Block Group and Wire Center Summaries



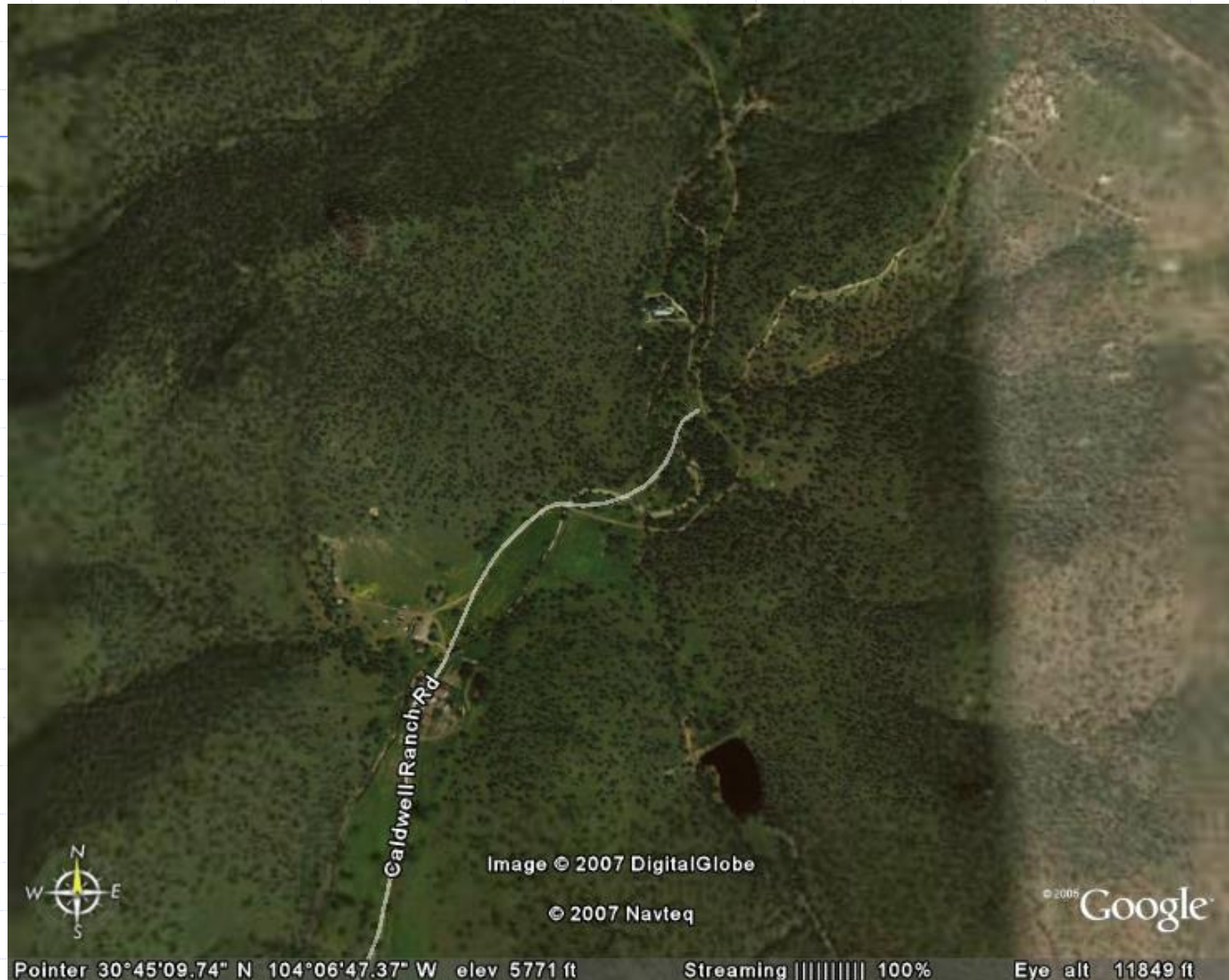


# Caldwell Ranch



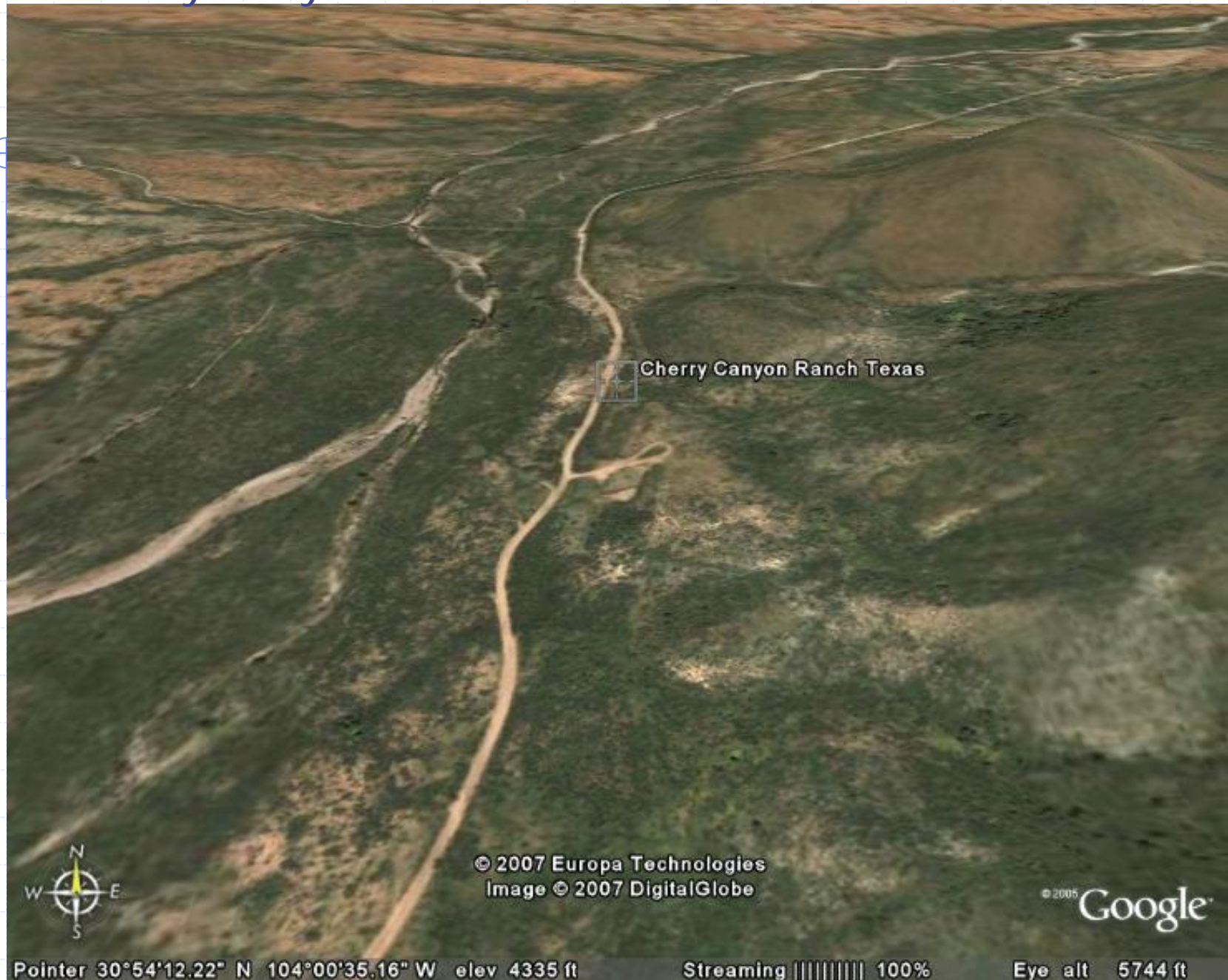


# Caldwell Ranch





# Cherry Canyon Ranch



# The Underserved - Examples

- ◆ Iris Korus – 96 Ranch – Extension Cost
- ◆ Round Mountain – Repeater problems
- ◆ Gus Laware & Lyn Shackelford – electricity issues
- ◆ Tom Beard – Leoncita Ranch - Service
- ◆ Betty Hargus & Lyn Crittendon – Line Maintenance

Iris Korus

\$22,000 line  
extension fee is too  
expensive



101 E Tate  
Brownfield, TX 79316

September 9, 2005

Iris Korus  
410 CR 443  
Stockdale, TX 787160

Dear Ms. Korus,

This will confirm your recent application for telephone service in our Valentine, TX exchange area where we do not, at present have facilities to provide you with telephone service.

In order to provide you with telephone service, it will be necessary to construct additional facilities. In this regard, construction charges will be applicable in accordance with our Texas General Exchange Tariff for new construction, which allows us to build at our expense a maximum of 2640 feet of cable per applicant, the combination of which includes not more than 1056 feet on private property. In your particular case, a total of 46,454 feet of construction is necessary, consequently applying 2640 feet leaves a balance of 43,824 feet at \$.50 a foot which equals \$21,912.00. If you are agreeable to these charges plus any private right-of-way costs that may be incurred, please send your payment in full, to my office within 30 days. Construction will not be started without charges being paid.

Should you have any questions concerning your application, please feel free to call Loyd Fullford at 800-483-6684.

Sincerely,

A handwritten signature in cursive script, appearing to read 'Terry Longbrake'.

Terry Longbrake  
E & C Manager

TL:skm



# Round Mountain Enterprises – Frijole Ranch





Betty Hargus

Does not want to  
maintain her  
own rural line

BETTY HARGUS  
P.O. BOX 730  
FORT STOCKTON, TEXAS 79735

March 28, 2005

Texas Public Utility Commission  
1701 N. Congress Avenue  
P.O. Box 13326  
Austin, Texas 78711-3326

To Whom It May Concern,

I wish to express my concern about telephone service in the remote area of West Texas. My family have lived on a ranch twenty eight (28) miles from any town for a number of years. The telephone service we have had has been a rural line that was kept up by my family. It got to the point that the line could not be maintain properly at a reasonable cost so we were without a telephone or any communication for several years. Cell phones do not get service in this area due to mountainous terrain, so they were out. We have recently purchased a satellite telephone from Big Canyon TV Service in Alpine Texas. This is the greatest thing that has ever happened. It has been greatly needed not only for communication but in case of emergency.

Please give your immediate attention to promote the satellite service in this area. Thank you for your consideration.

Betty Hargus  
Marathon, Texas 79847  
432-395 2303

CC: Big Canyon TV

# Valuable service to rural agencies



Customer Billy Hopper, Sheriff  
of Loving County, Texas

◆ DTS provides fixed and mobile service to:

- 40 Volunteer Fire Districts
- 17 County Sheriff Offices
- 16 Rural Ambulance Rescue / Districts
- 14 Rural Emergency Management Offices
- 6 Rural School Districts

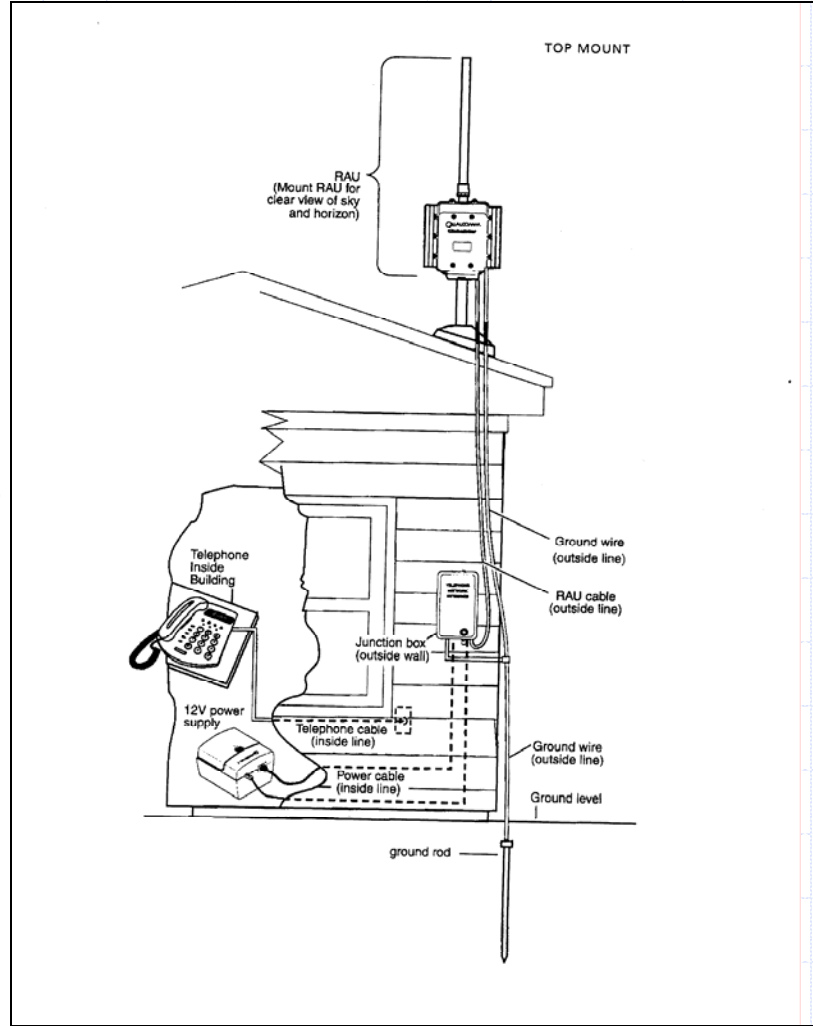
# Facilities-Based Service

- ◆ DTS owns and maintains all equipment
  - Fixed transmitter/receiver units mounted at residences (Qualcomm and Ericsson)
  - Wiring, mounts, poles, towers, etc. from earth station to demarcation point (NID)
  - Mobile transmitter/receiver units in vehicles

# ILEC Facilities

[illegible]

# DTS Facilities







ILEC Facilities



DTS Facilities

# Purpose of USF = DTS

## ◆ Universal Service:

- Service to highest cost, unserved/underserved areas
- Satisfies Texas PUC's stringent ETC and ETP standards
- Reasonable pricing
- Lifeline/Link-Up

## ◆ Our customers need DTS

# Purpose of USF = DTS (cont.)

## ◆ Public safety:

- Local, rural governments appreciate DTS
- Emergency service in remote areas

## ◆ Competition:

- Customer choices
- Incentives for ILECs to improve service quality







# Idaho Telephone Exchanges and Company Areas

